

*SPLOST 2016  
ANNUAL REPORT*

*October 1, 2020*

*Submitted by 2016 SPLOST CITIZENS OVERSIGHT COMMITTEE*

# Executive Summary

On October 1, 2020, the Citizens Oversight Committee released its second annual report.

- The Special Purpose Local Option Sales Tax is an important tax initiative that raises some of the funds needed to construct, maintain and improve critical infrastructure in Glynn County.
- SPLOST 2016 raised \$71,595,000 in sales tax revenue. This has been distributed to Glynn County, the City of Brunswick, the Jekyll Island Authority, and the Brunswick-Glynn Joint Water Sewer Authority for SPLOST 2016 projects.
- An additional 7-8 million dollars in SPLOST sales tax will be collected during July 1-September 30, 2020 as a result of an administrative issue between Glynn County and the Georgia Department of Revenue. This will be distributed to the County and the City of Brunswick and used for SPLOST 2016 projects.

## STATUS

- As of June 30, 2020, 42 of the 75 proposed projects in the 2016 SPLOST were completed.
- As of June 30, 2020, 26 of the 75 proposed projects in the 2016 SPLOST were either overbudget or projected to be more expensive than originally proposed.

## PROJECT IMPLEMENTATION

- Outside project management could help reduce project costs and ensure timely project completion of projects.
- Projects should have gone through preliminary design prior to being placed on the SPLOST ballot initiative.
- Projects should be proposed with specific start and completion dates.

## CITIZEN INPUT

- Citizen input in the selection, design, construction and execution of future SPLOST project is crucial
- A Citizens Oversight Committee is essential to the efficient, transparent and accountable of future SPLOST initiative.
- The role, responsibilities, and authority of a Citizens Oversight Committee needs to be clearly defined.

# **2020 ANNUAL REPORT SPLOST CITIZENS OVERSIGHT COMMITTEE (SCOC)**

September 30, 2020

## **Introduction**

This report, submitted by the SPLOST 2016 Citizens Oversight Committee (SCOC), summarizes, as of June 30, 2020, the project status and issues relating to specific capital outlay projects undertaken by Glynn County, the City of Brunswick, the Jekyll Island Authority (JIA), and the Brunswick-Glynn Joint Water and Sewer Commission (JWSC) as part of the 2016 Special Purpose Local Option Sales Tax (SPLOST) ballot initiative.

## **Background**

In 2016, Glynn County voters approved a Special Purpose Local Option Sales Tax. This temporary one cent sales tax would be collected to support the cost of capital improvement projects proposed by Glynn County, the City of Brunswick, the Jekyll Island Authority and the Joint Water and Sewer Commission. The tax was to be collected beginning April 1, 2017 and scheduled to run for fourteen calendar quarters (4.5 years) or until the target amount of \$71,595,000 was collected.

## **SPLOST 2016 Citizens Oversight Committee (SCOC)**

The SPLOST 2016 Citizens Oversight Committee (SCOC) was established by a resolution of the Glynn County Board of Commissioners with the following mission:

***To ensure that all SPLOST 2016 projects are completed in an efficient, transparent, and fully accountable manner and in keeping with the purposes of the overall SPLOST 2016 program.***

The committee consists of nine members, one appointed by each member of the Glynn County Board of Commissioners and two appointed by the City of Brunswick.

The SCOC has regularly met at 60- or 90-day intervals since April 2017.

## **SPLOST 2016 PROJECT DESCRIPTIONS**

### **Glynn County**

The County designated SPLOST 2016 tax receipts for 46 different projects, grouped under the following categories: sidewalks (7 projects), road infrastructure and resurfacing (8 projects), dirt road paving (6 projects), intersection improvements (13 projects), a bridge project, a new animal control shelter, and a Veterans' Memorial Park.

### **City of Brunswick**

The City designated SPLOST tax receipts for 19 different projects. They fall into the categories of park improvements (6 projects), police and fire vehicle acquisition and 911 radio improvements (4 projects), fire station improvement, cemetery restoration, sidewalk improvement, a highway beautification project, a drainage project, improvement of a senior center, and improved signage for visitors.

### **Jekyll Island Authority (JIA)**

All of the JIA projects involve repaving of existing roads and parking lots. Roads to be resurfaced were put in 8 groups, and each group is considered as one project.

### **Brunswick-Glynn Joint Water & Sewer Commission (JWSC)**

The JWSC designated SPLOST tax receipts for 2 major projects, each of which comprise several smaller projects that involve rerouting sewer collection lines, upgrading pumping stations, reconditioning existing sewer lines, and extending existing sewer lines.

## **SPLOST SALES TAX REVENUES**

From April 2017 until June 2020, a total of \$71,595,000 was collected in the SPLOST initiative. This met the stated collection goal. According to a July, 2020 Glynn County media release, this goal was met in June 2020, but the Georgia Department of Revenue was unable to administratively stop tax collection prior to September 30, 2020. The result is that approximately 7 million dollars in additional sales tax was collected in the third quarter, June 30-September 30, 2020.

## SPLOST 2016 COLLECTIONS AND DISTRIBUTIONS\*

Glynn County, the City of Brunswick, the Joint Water and Sewer Commission and the Jekyll Island Authority received the following in the SPLOST 2016 program.

SPLOST 2016 Approved Collections	Glynn	Brunswick	JWSC	JIA
\$71,565,000	\$40,464,850	\$13,832,143	\$15,000,000	\$2,297,961
100%	50.73%	19.32%	25.97%	3.98%

\*as of June 30, 2020

Additional sales tax dollars collected after June 30, 2020 are not included in the above table. The City of Brunswick will receive 19.32% and Glynn County will receive 80.78% of the additional collections. By prior agreement, JIA and JWSC will not receive any additional funds.

Glynn County, according to their media release, these additional funds will be used to cover costs of SPLOST 2016 projects that exceeded their original budgets. The City of Brunswick has not stated how these additional SPLOST funds will be used.

## SUMMARY OF SPLOST 2016 PROJECT PROGRESS

	Glynn	Brunswick	JIA	JWSC
<b>Number of Projects</b>	46	19	8	2
<b>Projects Completed</b>	28	6	7	0
<b>Within Budget</b>	6	0	7	0
<b>Over Budget</b>	11	5	0	0
<b>Under Budget</b>	11	1	0	0
<b>Projects Incomplete</b>	17	13	1	2
<b>Anticipated Within Budget</b>	7	11	1	0
<b>Anticipated Under Budget</b>	2	0	1	0
<b>Anticipated Over Budget</b>	8	2	0	1
<b>SPLOST Funds Received (June 30, 2020)</b>	\$40,464,870	\$14,675,577	\$2,236,858	\$10,069,865
<b>SPLOST Funds Expended (June 30, 2020)</b>	\$20,844,900	\$8,608,118	\$1,669,795	\$6,252,571

\*as of June 30, 2020, data provided by each entity

# **SIGNIFICANT ISSUES IMPACTING 2016 SPLOST PROJECTS**

We asked each Glynn County, the City of Brunswick, JIA and JWSC to tell the Oversight Committee what significant issues they have had completing the SPLOST 2016 projects, why projects were incomplete or over budget and where the additional funds would be found to cover the overage.

What follows is taken from each entity's response.

## **GLYNN COUNTY**

### **Projects Completed within budget: 6**

Frederica Road repaving - Circle K to Kings Way  
Maple Street paving (dirt road)  
Cindy Trail paving (dirt road)  
Hopeton paving (dirt road)  
May Joe Street paving (dirt road)  
Bennefield paving (dirt road)

### **Projects completed over budget: 9**

Demere Road repaving  
Sea Island Road to Frederica Road  
East Beach Causeway repaving  
Sea Island Road to Hamilton Road repaving  
Frederica to Riverview repaving  
Frederica to Wymberly repaving

### **St Simons Village Drainage**

Sewer, water and other utility services previously unidentified in construction plans had to be relocated and/or replaced

To complete the projects listed above, additional funds were transferred from SPLOST road improvement projects that were under budget and from the LMIG (Local Maintenance and Infrastructure Grant) program, a state-funded grant program to local communities. (Note: inter-project transfer of SPLOST funds is permissible).

### **Arnold Road Tide Gates**

Tide Gates were more expensive than estimated. Funds were transferred from other SPLOST drainage projects.

## Veterans' Memorial

The total project was \$568,557 more than estimated. Funds were transferred from two Glynn County Capital Projects reserve funds. (Note: we have learned that the County plans to use the additional July-September 2020 SPLOST collections to cover the increased expenses, rather than drawing from Capital Projects reserves.)

### **Projects Completed under budget: 11**

Norwich Street Repaving

Old Jesup Road Reconstruction and repaving

Frederica/Demere Roundabout modifications

Frederica/Sea Island Repaving

Ocean Boulevard/Mallery Street repaving

East Beach/Ocean Roundabout construction

Gateway Center sidewalk construction

Harrington sidewalk construction

Highway 341 sidewalk construction

Old Jesup Road Box Culvert construction

North Harrington Road drainage

(Funds remaining from these projects were transferred to complete over budget SPLOST projects)

### **Projects Not Completed - Anticipated Over Budget: 8**

Dungeness Drive - Budget \$400,000 - weighing alternatives

Sea Island Road Ditch Piping - Budget \$300,000, accepted bid \$433,102, will transfer SPLOST 2016 funds from other SPLOST road improvement projects

Kings Way/Frederica Roundabout - Budget \$1,291,000, final cost not determined - discussions underway with Sea Island and Board of Commissioners

East Beach/Demere Roundabout - Budget \$850,900, accepted bid \$1,713,514

- transfer \$37,245 from Glynn County general funds (this amount may come from the additional SPLOST 2016 revenue collected between July-September 2020)
- transfer from other SPLOST 2016 road improvement and drainage projects

College Park Drainage - Budget \$1,000,000

- transfer funds from City of Brunswick, Community Block Development Grants, others

Chapel Crossing Drainage - Budget \$350,000

South Palm Drainage - Budget \$1,725,000

### Animal Control Facility

Originally, \$1.5million was set aside for a County animal shelter. Final low bid for construction were \$3.5million. Only one bid was received. The additional \$2.0 million needed for the construct the animal shelter will be taken from the additional SPLOST revenues collected July-June 2020.

### **Projects Not Completed - Anticipated under budget: 2**

Somersby Point to Martin Palmer Drainage - Budget \$75,000

Golden Isles Parkway Drainage - Budget \$2,100,000

Surplus funds from these two projects to be directed elsewhere

## **CITY OF BRUNSWICK**

### **Projects completed under budget: 1**

Purchase of Fifteen Police Department Vehicles

### **Projects completed over budget: 5**

Purchase of Fire Department Rescue Vehicle

- Cost of equipment increased from initial estimate

Purchase of two Fire Department Pumper Vehicles

- Cost of equipment increased from initial estimate

Fire Station #1 Building Improvements

- Unanticipated repairs necessary once construction began

Overlook Park Improvements

- Cost of equipment increased from initial estimate

Roosevelt Harris Senior Center Improvements

- Cost underestimated

### **Incomplete Projects anticipated to be over budget: 2**

Sidewalk Replacement/Upgrades

- After surveying project, more work required than initially projected

Storm Drain Improvements

- Cost estimate less than current market value

### **Incomplete Projects anticipated to be on budget: 8**

Milling & Paving of various streets

Mary Ross Park Development

Highway 17 Infrastructure

Wayfinding signs & Gateway Trails

Subscriber Radios for E911

Historic Squares

Howard Coffin Park Improvements

### **Incomplete Projects anticipated to be under budget: 3**

Cemetery Restoration/Renovation

Parks Rehabilitation (Palmetto, Orange, and Others)

Sidney Lanier Park Improvements

City of Brunswick comments:

Where will additional money come from the projects that are over budget?

“Funding was supplemented from the General Fund, Grant Sources, JWSC, and other revenue sources (as outlined in general report).”

Where did the surplus funds get redirected for projects under budget?

“Funding has not been redirected from projects that came in under budget. Redirection is to be determined based on guidelines set forth for SPLOST funding.”

What issues resulted in project delays?

“The L street project was delayed due to the issue with installation of the utilities.”

High profile issues you wish to discuss.

“Project delays have been due to changes in personnel and City administration as well as unforeseen factors in project administration.”

## **BRUNSWICK-GLYNN JOINT WATER & SEWER COMMISSION**

JWSC proposed two projects:

1. North Mainland Sewer Basic Rehabilitation and Reroute involves rerouting sewage flow to open additional sewer capacity in the northern part of the County, particularly along Interstate Exit 38 including Tradewinds Industrial Park. It involves improving and increasing pumping stations capacity (Phase I) and downstream gravity improvements (Phase II).
2. Pumping Station 4003 Upgrades involves increasing capacity of PS 4003 and eliminating existing bottlenecks in the gravity system. When completed this will provide additional capacity to the City of Brunswick. Construction expected to begin July 2020 and completed within nine months.

Budget shortfalls are primarily the result of the need to undertake additional and unexpected repair to sewer pipe infrastructure.

**Projects Completed: 1**

Phase I of North Mainland Reroute complete, Phase II is approximately 70% complete

**Projects Incomplete and Projected Over Budget: 1**

North Main Reroute will exceed original SPLOST budget, overage will be funded from JWSC Reserves and funds remaining from Pump Station 4003 upgrades.

Funds Expended: An additional \$3,390,539 has been encumbered but not expended for this project.

**JEKYLL ISLAND AUTHORITY**

The remaining incomplete project involves paving several roads and parking lots on the island and, according to the Authority, will be completed by December 31, 2020. The JIA has been able to keep within budget by restricting the scope of road resurfacing to be within the allotted budget.

## CONCLUSIONS AND RECOMMENDATIONS

Designing, planning, executing and managing more than 70 projects costing more than \$70,000,000 is a challenging, complex, and time-consuming effort. In addition to undertaking these SPLOST projects, City and County professional staff have other day-to-day responsibilities. Coupled with external contingencies such as hurricanes and COVID-19, their workloads have considerably increased.

We commend and thank the County, the City of Brunswick, the Jekyll Island Authority, and the Joint Water and Sewer Commission staffs for providing us with timely updates and in-person progress reports during the past three years.

We appreciate the work that you do.

We have specific observations and recommendations that we would like to share with the County, City, JIA, JWSC and the citizens of Glynn County.

### Glynn County

While the County executes projects like paving or resurfacing of roads in a timely manner and within budget, it struggles when undertaking projects of increased complexity. The result is that projects that cost more than planned and are delayed in their completion: 19 projects are over budget, and 17 projects are incomplete. Delays and overages, however, are not necessarily the County's fault: permitting and required coordination of these projects with other governmental agencies such as the Georgia Department of Transportation, the Georgia Department of Natural Resources as well as the City of Brunswick and JWSC is often required, resulting in unanticipated delays. In addition, market pressures and unavailability of local contractors to execute certain construction steps delay projects and drive up the price.

***We believe that external management of the County's SPLOST projects would have resulted in more of the projects being completed sooner and could have saved the County money. We note, in particular, contract change orders being approved for items that had been omitted in original contracts. An outside project management firm would also lighten the workload of County staff, allowing them to devote full attention to regularly assigned duties. We recommend that future SPLOST ballot initiatives budget for outside project management.***

Many of the projects in the SPLOST 2016 were in “concept” stage when they were proposed to the public as SPLOST projects. We believe that if these projects had been “shovel ready” or further along in their planning and design in advance of their being considered on the ballot, they could have been completed sooner and at greater taxpayer savings. In addition, if proposed projects were further along in their design, could voters better evaluate a project’s usefulness when voting to approve a SPLOST initiative.

***We recommend that any project proposed on future SPLOST ballot initiatives should have gone through at least a preliminary design phase. Each project should have published start and completion dates.***

The County frequently failed to inform the Oversight Committee of project plans and proposed contracts. We learned of SPLOST project contracts being proposed or signed only by studying Board of Commissioners meeting agenda items. We learned of the extension of SPLOST 2016 tax collections from a media release, rather than through direct communication with our committee. Without timely and transparent communication, our Committee was unable to assure that SPLOST 2016 projects were undertaken in a timely, efficient and transparent manner, as mandated in our bylaws.

***The County should be more transparent in its SPLOST project operations.***

Suggestions and comments made by the Oversight Committee, and by ordinary citizens, need to be taken seriously by the Board of Commissioners. One example of this was the response by the Commissioners when our committee expressed our and other citizen concerns regarding the design of the East Beach roundabout. When we presented them to the Commission, we were told that our Committee was overstepping its oversight role. Our suggestions were ignored, resulting in a roundabout rather than more appropriate intersection improvements.

***The role and responsibilities of future citizens’ oversight of SPLOST projects need to be clearly defined and respected by the Board of Commissioners.***

## **City of Brunswick**

Less than one-third of the planned SPLOST 2016 projects for the City of Brunswick have been completed. We have been told that these delays are “...due to changes in personnel and City administration as well as unforeseen factors in project administration.” While this may be the case, the City has been receiving SPLOST funds for over three years.

***We strongly feel that a future SPLOST ballot initiative include the hiring an outside project management to plan, track and manage City projects. This could result in cost savings as well as free staff to attend to their normal assigned duties.***

Smaller projects, such as the cemetery restoration, pathways, City square restoration, and wayfinding signs seem more like ongoing maintenance efforts than circumscribed projects. We urge the City to more precisely define their projects and undertake and complete them in a timely manner. Large projects, such as L Street, continue for long periods, because, we are told, there were unexpected problems. Better planning and design prior to proposing these projects may have minimized these unforeseen problems.

***Each project proposed in future SPLOST initiatives should have at least gone through preliminary design and engineering studies prior to being put on a SPLOST list. Each project on a future SPLOST ballot initiative must have a proposed start and completion date.***

### **Jekyll Island Authority**

No comments. The projects undertaken by the JIA are relatively simple paving projects. We commend the JIA for grouping their paving projects and timing their execution to take advantage of contractor availability in the Golden Isles.

### **Joint Water and Sewer Commission**

The projects undertaken by the JWSC are complex large-scale infrastructure improvements. Our impression is that they were designed and planned prior to receiving SPLOST funding.

## **Recommendations**

The SPLOST Citizens Oversight Committee believes that a Special Projects Local Option Sales Tax is an important tax program that raises some of the funds needed to construct, maintain and improve County, City, the JWSC and the Jekyll Island Authority's critical infrastructure. We believe, however, that SPLOST projects can be undertaken more efficient, transparent and accountable manner.

We strongly believe that over the past three years our Committee's oversight has helped push more SPLOST 2016 projects toward completion and in a timelier manner than previous County SPLOST initiatives. Unlike previous SPLOST initiatives, all SPLOST 2016 will be completed.

We, as a Committee, however, feel that our as well as other citizens' ideas, advice and recommendations were seen not viewed as constructive citizen input.

If a future SPLOST initiative is proposed, it is essential the following recommendations be incorporated into the SPLOST planning to ensure that SPLOST projects will be completed in a timely, transparent, and efficient and appropriate manner:

***There must be citizen input in the selection, design, construction and execution of proposed SPLOST projects.***

Citizen input, either through committees or public forums, *prior to finalizing a list of SPLOST projects* is mandatory. This will result not only in SPLOST projects that the community feels are important but also will eliminate the public's misunderstanding of the scope and purpose of each project. The County, City, JIA, and JWSC must make the case to the citizens why each SPLOST project that proposed is essential. They should also ask the community for project suggestions prior to finalizing a list of SPLOST projects.

***SPLOST projects must have specific start and completion dates. These dates should be part of the SPLOST ballot initiative and the Citizens Oversight Committee will hold the entities accountable for meeting these timelines.***

As of June 30, 2020, only about one half of the proposed projects had been completed by the four entities. There appears to be no priorities or timeline for undertaking the SPLOST projects. Without priorities and specific completion dates, SPLOST 2016 projects seem to be begun at random. This means not only in increased project budgets due to rising material and labor costs but also the community is deprived of the timely benefits of these projects.

***Future SPLOST initiatives must include a Citizens Oversight Committee***

A future Citizens' Oversight Committee should be charged with overseeing that projects are being undertaken in a timely, efficient, and cost-effective manner, consistent with what was approved by Glynn County residents on the ballot. The Glynn County Board of Commissioners, the Brunswick City Council, and the boards of JSWC and Jekyll Island Authority should meet regularly with the Oversight Committee to hear their views on the projects' progress and to respond to their suggestions for project execution.

While this was not the case with the SPLOST 2016, when Committee recommendations were ignored and even considered "overstepping", the duties and responsibilities of future Oversight Committees must be clearly defined and the Committee's oversight role must be viewed as legitimate taxpayer input. Our Committee is willing to work with elected officials and administrators to help develop duties and responsibilities of a future citizens' oversight effort

Without the oversight of an independent group of Glynn County residents, it is difficult, perhaps impossible, to ensure that projects are being completed in an efficient, transparent, and fully accountable manner and in keeping with the purpose the proposed SPLOST.

**2016 SPLOST CITIZENS OVERSIGHT COMMITTEE**

Philip Graitcer, Chairman  
Lance Sabbe, Vice Chairman  
Robert Franklin  
Jane Fraser  
William Kitts  
Ron Maulden  
Ronnie Perry

We would like to extend our thanks to Mr. Matthew Kent, Public Information Officer for Glynn County, for operational support of our committee during the past three years.